



State of Utah
DEPARTMENT OF NATURAL RESOURCES
DIVISION OF OIL, GAS AND MINING

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June 4, 1998

TO: Minerals File

FROM: Tony Gallegos, Reclamation Engineer *aa*

RE: Site Inspection, Slickrock Mining Co., Neighbor Mine S/037/106 (UTU-74613), San Juan County, Utah

Date of Inspection: May 7, 1998
Time of Inspection: 1630 - 1745
Conditions: Partly cloudy, warm
Participants: Ted McDougall, BLM; Tony Gallegos, DOGM

Purpose of Inspection: To examine this old site which is going to be included in a new notice.

The site is accessed by turning east off highway 191 onto the county road to East Canyon. Follow this county road until the road turns south and forks into East Canyon and South Canyon. From here take the west fork road leading up onto South Canyon Point. Turn off this road onto the short access road to the mine site. This mine site is also known as the old Frisco Mine under DOGM file S/037/070. The map for this area is the SOP Canyon quad.

The mining notice had not yet been submitted to the BLM, although Ted had discussed the project with John Brown the operator. Ted had visited the site previously and prepared a map of the mine site. The BLM intends to forward the information to the Division after receiving the actual notice and financial guarantee.

At the time of this inspection, there were two men at the site operating a small bobcat type loader moving or separating some uranium ore. The men were Larry Hixon and his son, Mike Hixon. In talking with Larry Hixon, he explained they were loading or moving ore from the existing stockpile and trucking it to the White Mesa Mill for processing. They had not conducted any underground mining and were just removing ore that had been stockpiled on the surface. Larry explained that the Frisco Mine was the name of this site prior to an exchange with State Lands in Section 36, T31S, R24E. The new mine notice is called the Neighbor Mine, although the project area is the same area previously known as the Frisco Mine. Mr. Hixon explained that John Brown, had gone into Monticello today to submit the remaining paperwork at the BLM offices.

The inspection began with an overview of the project area from the top of the old waste rock pile, as shown on the map prepared by the BLM. A panorama series of three photos was taken

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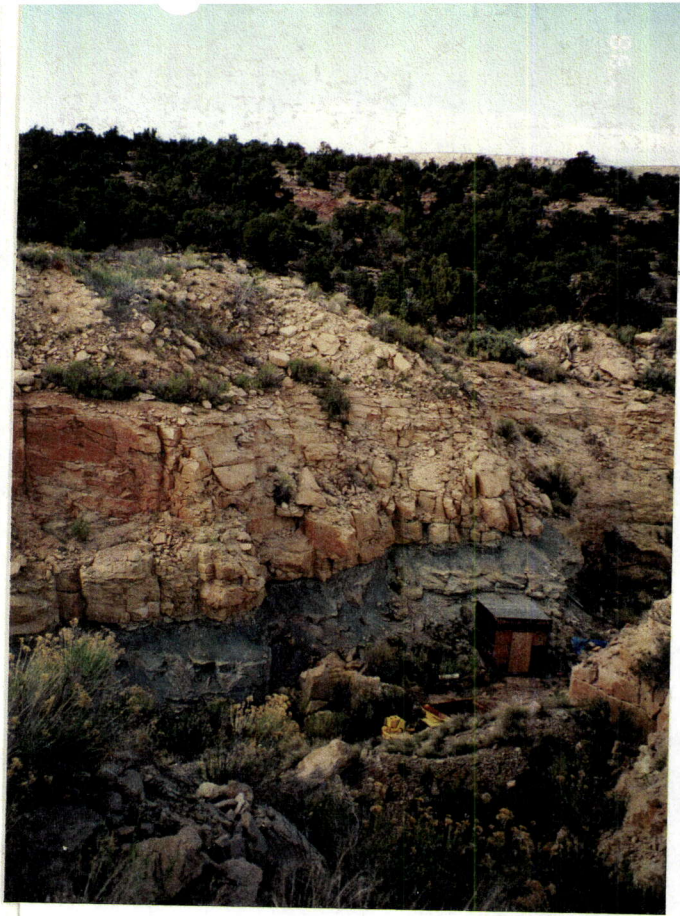
from this spot starting in the southeast and moving to the northwest. From this vantage point we could see the old waste rock dump slopes, the current ore pile and bobcat loader, and the open pit with the mine portal in it.

We then moved to the site of the proposed ventilation/escapeway portal. This area is to the northeast from the current ore pile. At the ventilation portal area were recent signs of tracked equipment such as a dozer or trackhoe. The plan for this area is to connect this existing portal to the underground workings and use this for ventilation and as an escapeway. There was a small pile of waste near this existing portal which would be used in closure at final reclamation. A photograph taken of the existing portal includes Ted.

There were two small portals east of the main mine area which are located in the bottom of a small pit. The portals are going in a western direction. Also, in this area, was a metal box on a small trailer which may have been a powder magazine. In this area, there is another larger portal with boulders blocking it. The small portals have a large ore pile near the edge. These portals and the small pits are not shown on the BLM's site map.

In conclusion, the Division will wait for the completed notice information from the BLM which identifies the existing disturbances and the areas this new operator will be responsible for reclaiming.

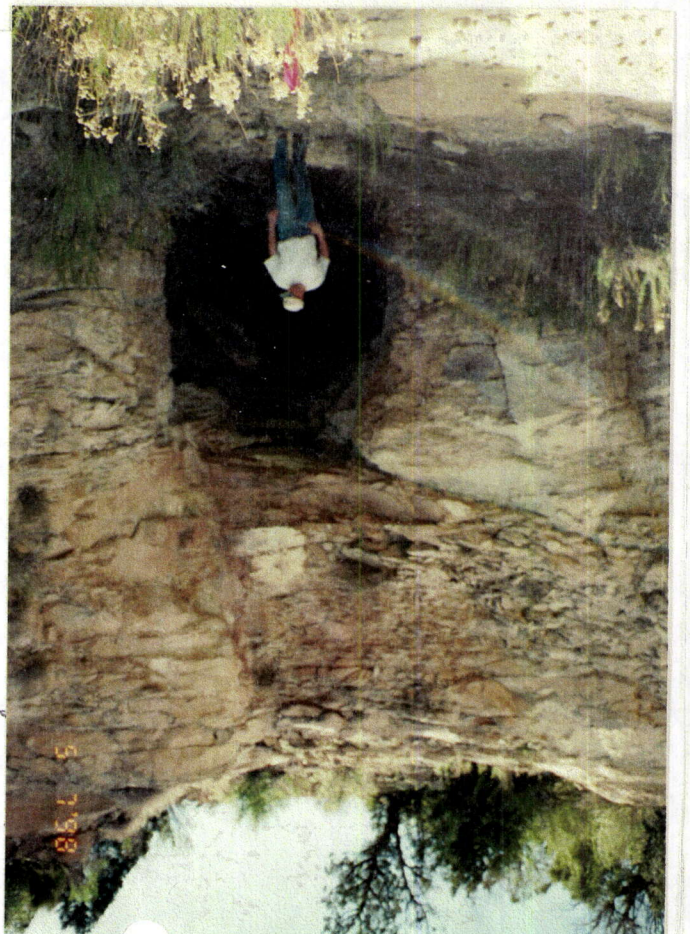
jb
cc: Ted McDougall, BLM
Larry Hixon, Slickrock Mining Co.
S037070.ins





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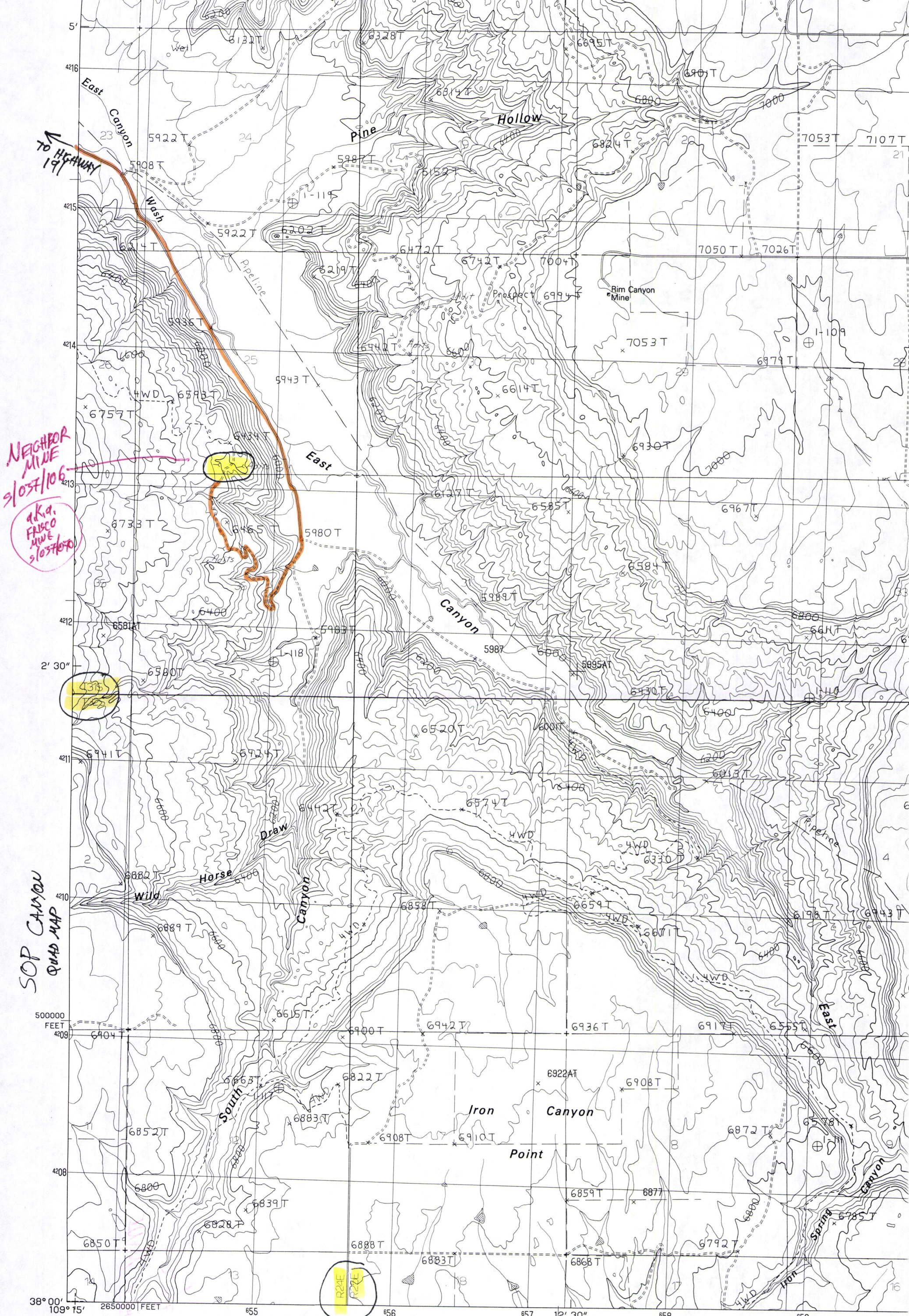
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901/750/5

Shelby
MINE
NEIGHBOR



PRODUCED BY THE UNITED STATES GEOLOGICAL SURVEY
CONTROL BY USGS, NOS/NOAA
COMPILED FROM AERIAL PHOTOGRAPHS TAKEN 1981
FIELD CHECKED 1982 MAP EDITED 1987
PROJECTION LAMBERT CONFORMAL CONIC
GRID: 1000-METER UNIVERSAL TRANSVERSE MERCATOR ZONE 12
10,000-FOOT STATE GRID TICKS UTAH, SOUTH ZONE
UTM GRID DECLINATION 1'07" EAST
1987 MAGNETIC NORTH DECLINATION 13' EAST
VERTICAL DATUM NATIONAL GEODETIC VERTICAL DATUM OF 1929

SCALE 1:24 000

